



The Evolving Healthscape: for Better or for Worse?

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Roadmap for Today

- Trends in health and health care
- Overview of Medicaid program nationally
- Overview of Kansas Medicaid managed care program
- Care coordination in managed care
- Impact of managed care
- Managed long term services and supports
- Future opportunities
- Critical success factors
- Health information technology infrastructure

Trends in Health and Health Care

- Growth in health care costs
- Consolidation of payers and providers
- Move to value-based purchasing and alternative payment models
- Proliferation of metrics
- Move in all sectors towards more modular, interoperable Information Technology infrastructure
- Growth in telehealth

Overview of Medicaid

- Created in 1965 through an amendment to the Social Security Act
- Joint program between state and federal government
- Major payer in the U.S. health care system
- 56 entities have Medicaid programs – 50 states, Washington, D.C. and 5 territories
- Tailored by each state to meet the needs of the vulnerable populations of the state
- Growing

Medicaid Coverage and Cost

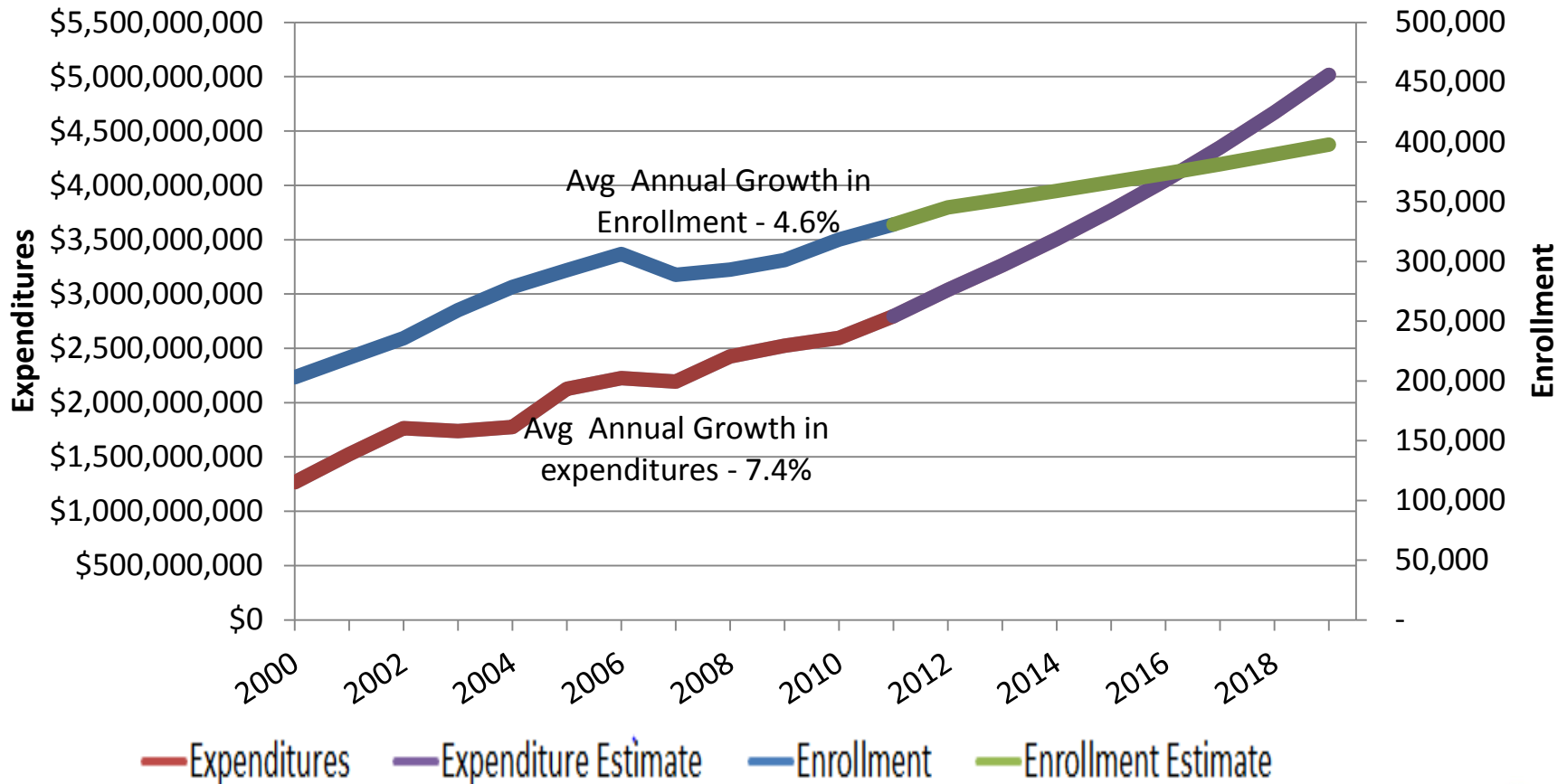
- Provides coverage for a broad range of health care services
- Serves children, pregnant women, the frail elderly, physically disabled individuals and individuals with intellectual or developmental disabilities
- Nationally, Medicaid state and federal expenditures in FY 2014 were over \$495 billion
- Average state share of costs is approximately 40%

Trends in Medicaid

- Growth in Medicaid enrollment
- Growth in expenditures for health care services
- Increase in managed care models
- Increase in capitated risk-based managed care
- Move towards more modular, interoperable infrastructure through the Medicaid Information Technology Architecture (MITA) process
- MACRAnomics - move from Fee For Service to Value-Based Purchasing (MACRA = Medicare Access and CHIP Reauthorization Act)

Medicaid Growth in Kansas

Total Medicaid – without expansion



Medicaid Components in Kansas

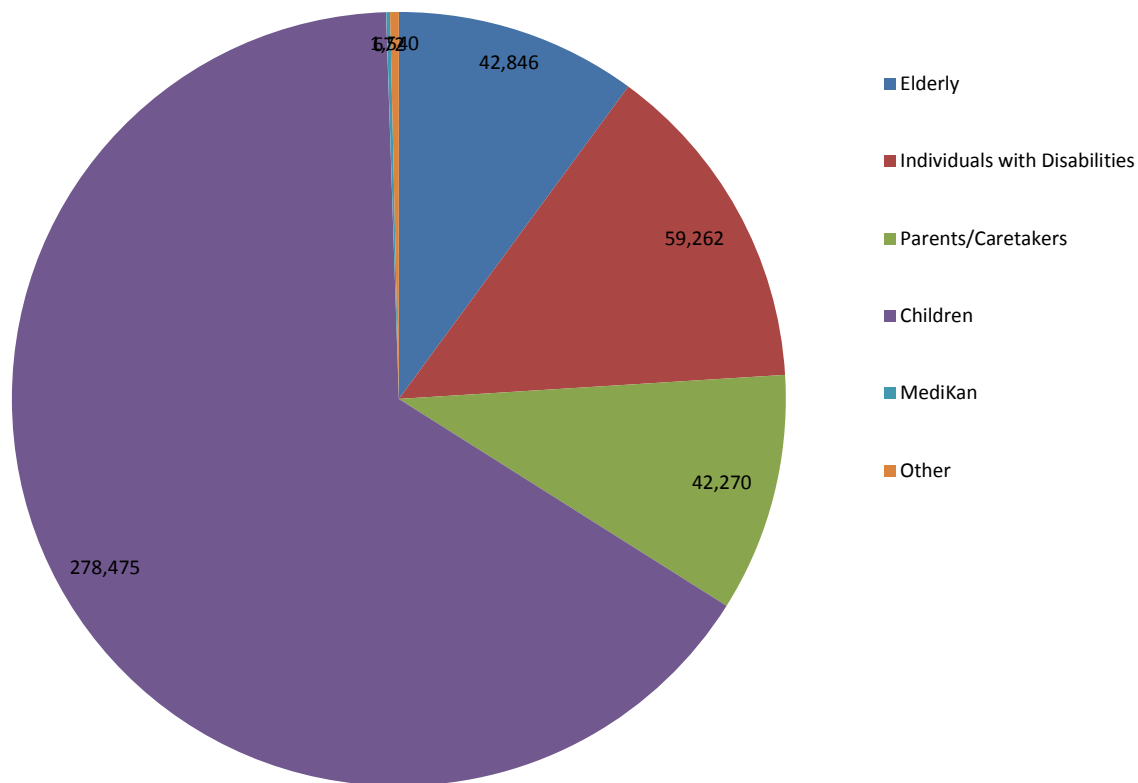
SFY 2012 , in \$millions	Children/ Families	Disabled	Aged	MediKan/ Other	TOTAL
Physical Health	630	469	107	77	1283
Behavioral Health	46	126	15	48	235
Substance Abuse	8	7	0	4	19
Nursing Facilities	0	121	375	1	497
Home and Community Based Services	0	475	115	9	599
TOTAL	684	1198	612	139	2633

KanCare Overview

- KanCare is a Medicaid Managed Care program
- 3 Managed Care Organizations (MCOs)
 - Operate statewide
 - Operate across essentially all Medicaid populations and services
- Goals are to improve quality/outcomes and reduce the rate of rise in cost growth through integrated, coordinated care and an increased emphasis on health, wellness, prevention, earlier detection and earlier intervention

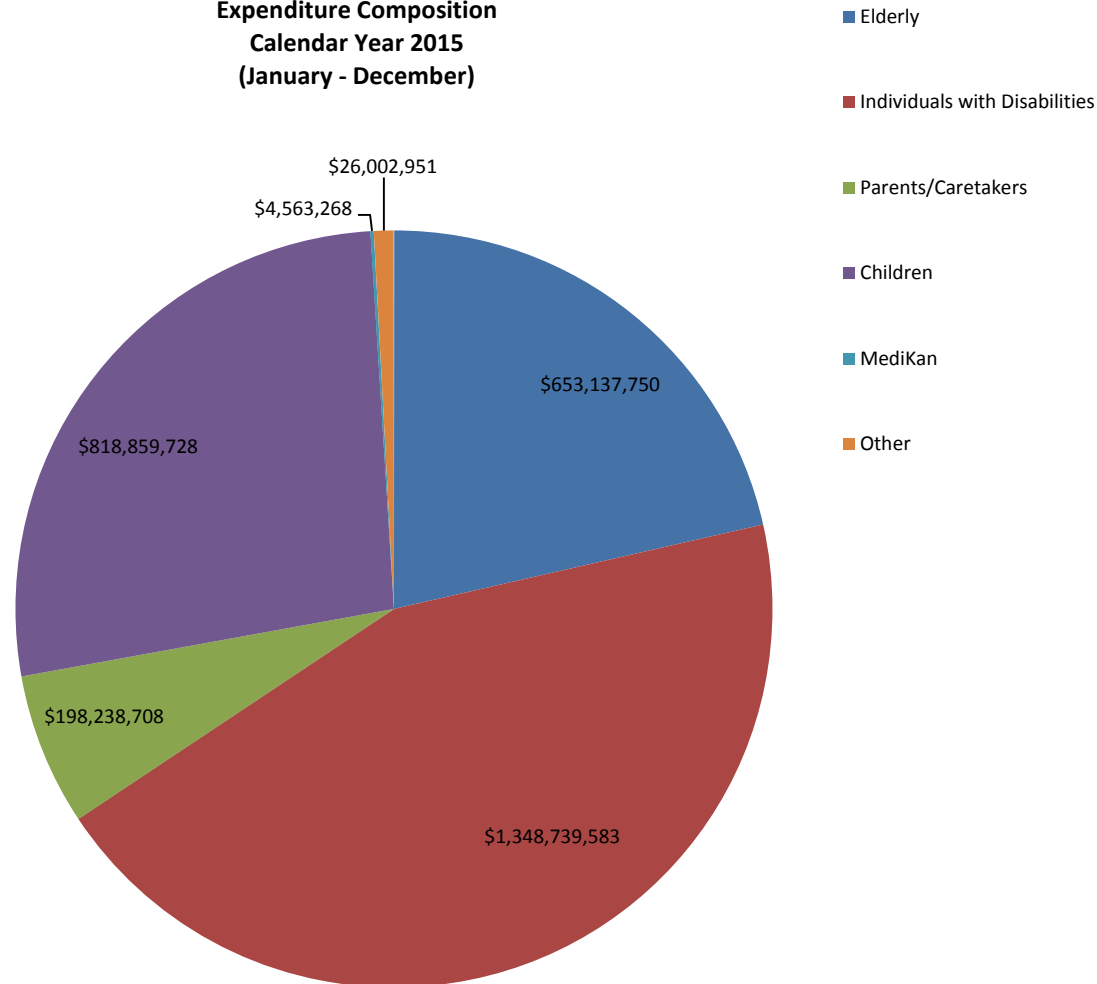
KanCare Eligibility Composition

Eligibility Composition
Calendar Year 2015
(January - December)



KanCare Expenditure Composition

Expenditure Composition
Calendar Year 2015
(January - December)



Improving Quality and Outcomes

- Managed Care Organizations (MCOs) charged with:
 - Integration and coordination of care
 - Moving up the health care continuum from care to health
- MCOs are expected to:
 - Lessen reliance on institutional care
 - Decrease re-hospitalizations
 - Manage chronic conditions
 - Improve access to health services

Danielle's Story

- Danielle's history:
 - Sexually abused as a child, with food used as a bribe
 - Developed anorexia nervosa, at one time reaching 56 pounds
 - 80 hospital admissions
 - 4 suicide attempts
 - Twice in hospice
 - Moved from facility to facility
 - High utilization of the emergency room

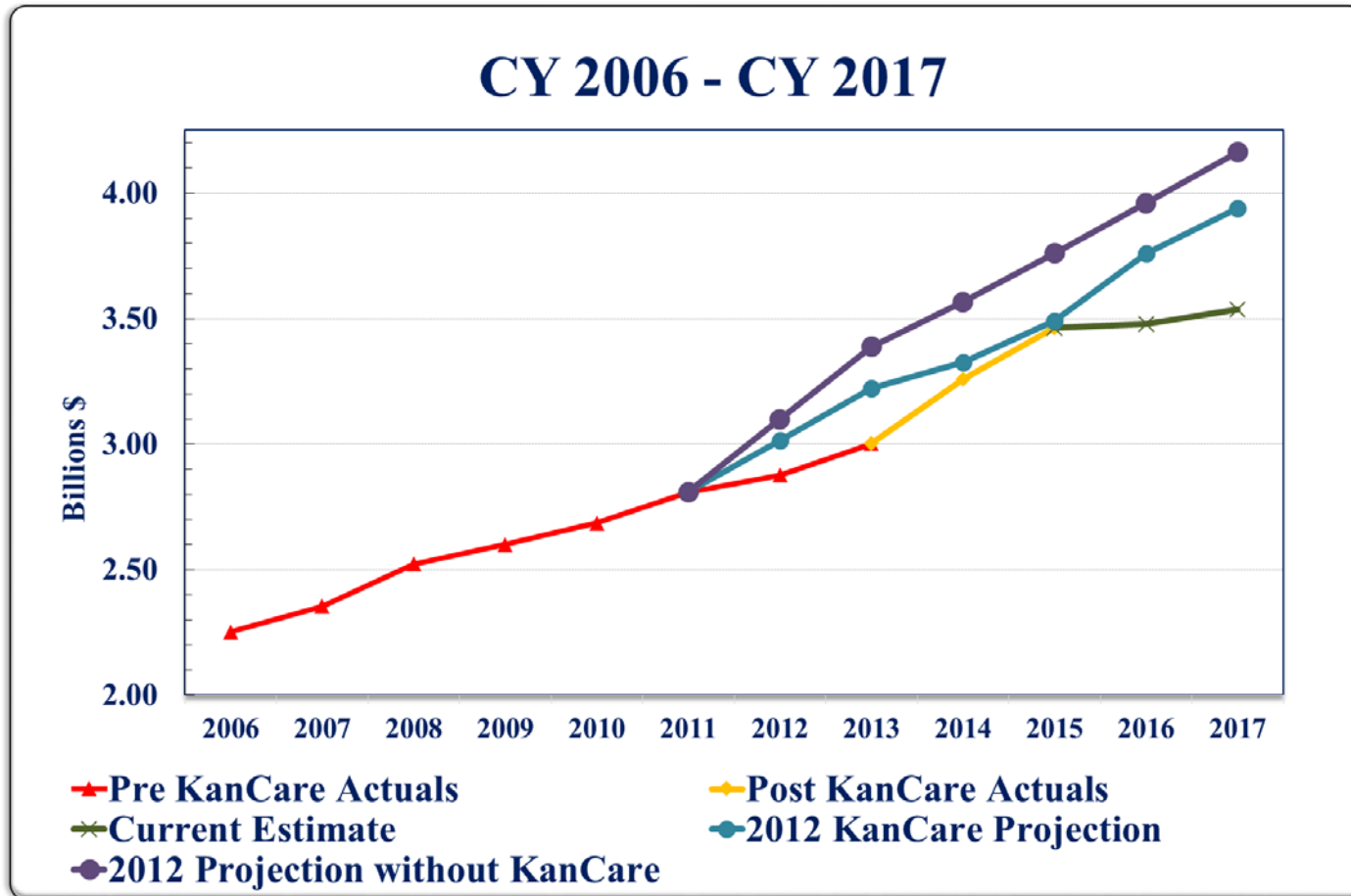
Danielle in Managed Care

- Danielle's experience in managed care:
 - UnitedHealthcare (MCO) began working with Danielle in February 2013
 - Danielle was assigned a Peer Coach, Lindsay
 - Lindsay assists with care navigation, organizes comprehensive supports and provides emotional support
 - Danielle is now working to complete her education and desires to help others going through similar situations

Reduction in Rate of Cost Growth

- Move almost the entirety of Medicaid into a capitated risk-based managed care model
- Actuarially determined per member per month payments by rate cell
- State's oversight of Managed Care Organizations includes:
 - Pay for Performance measures
 - Quality Strategy
 - Liquidated damages if certain performance targets are not met

KanCare Cost Comparison



Utilization Pre- and Post-KanCare

Aggregate Utilization Report			
Pre KanCare (2012) v KanCare (2015)			
Type of Service	Units Reported	Utilization/1,000	% Difference
Behavioral Health	Claims	(104)	-2%
Dental	Claims	268	30%
HCBS	Units	1,137,982	37%
Inpatient	Days	(320)	-27%
Nursing Facility	Days	275	0%
Outpatient ER	Claims	(9)	-1%
Outpatient Non-ER	Claims	154	9%
Pharmacy	Prescriptions	517	5%
Transportation	Claims	198	32%
Vision	Claims	29	9%
Primary Care Physician	Claims	767	21%
FQHC/RHC	Claims	34	4%

KanCare Managed Long Term Services and Supports (mLTSS)

- Moved LTSS into capitated risk-based managed care in January 2013 for all populations except for individuals with intellectual and developmental disabilities (I/DD)
- I/DD long term services and supports moved into managed care February 2014
- Special Terms and Conditions (STCs) contain essential elements for success

KanCare mLTSS Elements

- Adequate planning
- Stakeholder Engagement
- Enhanced home and community-based services
- Align payment structures and goals
- Provide support for beneficiaries

KanCare mLTSS Elements

- Person-centered process
- Integrated with a complete array of services
- Network composition and access requirements
- Beneficiary protections
- Well-defined quality strategy

mLTSS Rate Structure

- Multiple Pay for Performance measures
 - 2% of revenue is at risk
 - Reviewed quarterly, assessed annually
- Blended long term care rate cell
 - Blend includes nursing facility rates and rates for home and community-based services for seniors and individuals with physical disabilities
 - Actual rate determined and aspirational rate set

Never Give Up: Hope

- Hope is on the Physically Disabled (PD) Waiver:
 - History: female with h/o abuse as a child
 - Adulthood marked by abusive relationships and drug & alcohol addiction.
 - Prior to KanCare, Hope was paralyzed and lost both legs following an injury in her 20s.
 - Healthcare:
 - 10 Hospital Admissions, severe pain and chronic non-healing wounds.
 - Refusing care and angry, Hope elected for Hospice.

Relationship-Centered Approach

- Assigned two Sunflower Plan Case Managers (CMs)
 - Stephanie, a Registered Nurse, and Curtis, experience in foster care and trauma
 - Weekly in-person visits focused on Hope's goals and strengthened these relationships
 - CMs connected Hope to healthy family members
- Outcome: No longer in hospice, no hospital visits since July of 2015, wounds healing, Hope is drug-free and working on her GED.

Integrated Life Plan Addresses

- Choice & Access (where to live, work, schedule, etc)
- Community Inclusion & Employment
- Paid and Unpaid supports
- Cultural & Communication Needs
- Health, Safety & Welfare
- Individual's Choice to Self-Direct Services
- Use of Least Restrictive Interventions & Supports
- Rights & Responsibilities
- Chosen Life Goals that are Measurable
- Who will Assist with Achievement

Future Opportunities

- Leverage public health expertise and programs
- Employ advanced data analytics and predictive modeling for program improvement and MCO oversight
- With stakeholders, explore, design and implement alternative payment models tied to quality and outcomes
- Provide expanded opportunities for job training, employment, housing and more
- Expand use of telehealth

Critical Success Factors

- Engage and empower end users: patients and health care professionals
- Focus on relationship-centered health and health care
- Harness and leverage advanced information technology. Key areas:
 - Health information technology infrastructure
 - Telehealth and mobile/e-health
 - Data analytics and predictive modeling

Engage and Empower End Users

Engage:

- Patients and providers in the design, development and implementation of systems and products

Empower:

- For patients: mobile health, personal devices, telemonitoring
- For providers: electronic health records with data analytics overlay, scalable population health tool

Relationship-Centered Health

- Evolution of the healthcare system:
Patient-centered to Provider-centered to
Payer-centered to Person-centered to
Relationship-centered
- Central relationship in the traditional healthcare system: patient-doctor relationship
- With whole person care and social determinants of health, additional relationships come into play: family, education, employment

Advanced Information Technology

- Health Information Technology Infrastructure
- Telehealth:
 - Telemedicine
 - Telemonitoring
 - Telementoring
- Personal devices
- Data Analytics
- Predictive Modeling

HIT Infrastructure Functions

- Provide skinny data
- Provide tools for better coordination of care across the healthcare system
 - Personal Health Record – patient/person
 - Electronic Health Record – provider/payer
- Facilitate better communication between providers, patients and payers
- Allow for expanded access to the health system
- Provide tools for individual and population health management

HIT Infrastructure – Patient

- Facilitates communication between patients and providers, payers and state/local/federal government
- Connects patients to both people and data
- Improves access to services
 - Self-service portal
 - Integrated systems
- Facilitates timely access to accurate and actionable information

HIT Infrastructure – Patient Example

- Diabetic patient in rural/remote location
 - Telemonitoring to assist patient with blood glucose monitoring and decision-making
 - Automated provider alerts/notifications for out-of-range test results
 - Access to online and teleconferencing services to communicate with providers
 - Condition-specific educational materials and services

HIT Infrastructure - Provider

- Providers access and import data from multiple sources into their Electronic Health Records system
- Information is used to determine the best plan of care/service
- Infrastructure facilitates transitions of care by ensuring the patient's record follows him/her
- Population health tool allows providers to assess patient outcomes using meaningful metrics that they define in partnership with payers

HIT Infrastructure-Provider Example

- Risk factors for Ocular Hypertension
 - New study reveals 3 risk factors that correlate with predicting progression from a pre-glaucomatous state to glaucoma
 - Scalable population health tool with ad hoc query capability that overlays EHR database
 - Query for risk factors
 - Query for presence of appropriate testing and the timing of last exam
 - Send targeted, personalized letter/email/text

HIT Infrastructure - State

- Help the state and MCOs to transition to value-based payment models
- Allow the state to manage services and costs in a more meaningful way
- Allow the state to identify trends more readily and to be more proactive in policy-making
- Enhance the state's ability to detect fraud, waste and abuse
- Enhance the state's ability to manage and oversee the MCOs

HIT Infrastructure - State Example

- Once interagency data is more readily available, the Program Integrity unit can:
 - review the complete service set for an individual
 - determine if redundant or conflictual services are being provided
 - More easily identify potential fraud, waste and abuse

HIT Infrastructure - MCOs

- Once interagency data is available, MCOs can:
 - Leverage knowledge of available support services to better coordinate whole-person care
 - Coordinate with state agencies to ensure best service set for the individual
 - Identify gaps in care or services
 - Identify redundant or conflictual services

HIT Infrastructure - MCOs Example

- Patient ready to leave an IMD (Institution for Mental Disease) facility needs a job, a place to live, and continued follow up care
 - Once interagency data is available, can connect the person more easily to job training and services through workforce centers
 - Provide first month's rent as "in lieu of" service
 - MCO care coordinator can ensure a plan of service is in place to support the person in the transition and in the community

The Evolving Healthscape

- For better or for worse?
 - It depends on:
 - Who is at the table in the design, development and implementation of health system changes
 - What the guiding principles for the health system are
 - How well the foundation of the health system is designed, developed and implemented

My answer? For better!

Thank you

Questions?